

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**
FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER: <u>0 0 — 2 0</u>	2. STATE: KS
3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) Medicaid	
4. PROPOSED EFFECTIVE DATE July 1, 2000	

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT

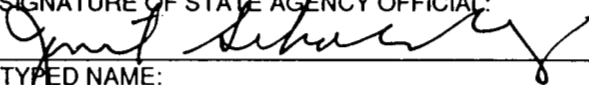
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 447.201	7. FEDERAL BUDGET IMPACT: a. FFY <u>2000</u> \$ <u>900,000.00</u> b. FFY <u>2001</u> \$ <u>3,600,000.00</u>
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Exhibit G, Pages 1-30 ATT 4.19D	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Exhibit G., Pages 1-25 TN-MS-99-14

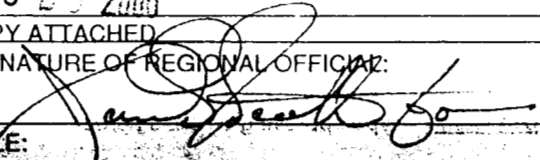
10. SUBJECT OF AMENDMENT:
Nursing Facility Methods and Standards for Establishing Payment Rates

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT ☒ OTHER, AS SPECIFIED:
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED Janet Schalansky is the Governor's
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL Designee

12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: Janet Schalansky, Secretary KS Dept. of Social & Rehabilitation Services DSOB, 6th Floor 915 SW Harrison Topeka, KS 66612
13. TYPED NAME: Janet Schalansky	
14. TITLE: Secretary	
15. DATE SUBMITTED: 9/20/00	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 09/29/00	18. DATE APPROVED: DEC 20 2000
PLAN APPROVED - ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: 07/01/00	20. SIGNATURE OF REGIONAL OFFICIAL: 
21. TYPED NAME: Thomas W. Lenz	22. TITLE: ARA for Medicaid and State Operations

23. REMARKS:

cc: SPA CONTROL
Schalansky Date Submitted 09/28/00
Day Date Received 09/29/00
Bieberly

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Method and Standards for Establishing Payment Rates: Nursing Facilities

Nursing Facility Quality Enhancement Wage Pass-Through Program

The Kansas Legislature, during the 1999 session, adopted Senate Bill (SB) 126 (1999 Kan. Sess. L. ch. 101), an Act to establish the quality enhancement wage pass-through program for nursing facilities. Nursing facilities electing to participate in this program can increase salaries or benefits or both for those employees providing direct care and support services to nursing facility residents. This Bill includes the following proviso: "All expenditures for the quality enhancement wage pass-through program shall be made only from moneys specifically appropriated therefor." The Governor signed the Bill into law on April 14, 1999.

House Bill (HB) 2489 (1999 Kan. Sess. L. ch. 160, §§ 2-3) included the appropriations for SB 126 for State fiscal year 2000 (July 1, 1999 through June 30, 2000). The Kansas Department of Social and Rehabilitation Services (SRS) was appropriated state general funds of \$224,402 to fund the nursing facilities-mental health (NF-MH) and intermediate care facilities-mentally retarded (ICF-MR). The Kansas Department on Aging (KDOA) was appropriated state general funds of \$1,725,000 to fund the nursing facilities, including hospital-based long-term care units (NF).

Under SB 126 the Secretaries of SRS and KDOA are required to establish a Medicaid State Plan provision for the quality enhancement wage pass-through program. The pass-through may not exceed \$4.00 per resident day. Participation in the program is voluntary but limited to the available funds. Copies of SB 126 and the relevant parts of HB 2489 are included in the Medicaid State Plan exhibit.

Criteria for Prioritizing Applications:

The providers must submit a completed application to KDOA for NF and NF-MH on a form prescribed by the Secretary of each agency. The applications will be placed in a primary group if they are received by the due date below. The secondary group of applications are those received after the first due date and will be time and date-stamped based on receipt. Following is the procedure for treatment of the two groups of applications.

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Primary Group of Applications

The primary group of applications are those received following the mailing of applications to the providers on July 30, 1999 and by the deadline of Friday, August 13, 1999 at 5:00 PM. There will be two steps for approving funding to the primary group of applicants. The steps are based on the availability of funds.

The first step is to open the applications received through the close of business on August 13, 1999. If the total dollar amount of all requests is below the available funding, all providers will receive 100% of the requested funding. The total dollar amount of the requests will be determined by multiplying the Medicaid days by the per diem amount requested for the wage enhancement pass-through for each facility and then summing the total requests from all facilities.

The second step of the process is used if the total requested funding from all the applications is greater than 100% of the available funds. All providers in the primary group will be funded but at a reduction so that the estimated fiscal impact of the program does not exceed the available funding. The reduction will be proportional to the amount of funding requested over the available moneys.

For example, if the total fiscal impact of funding all applications were 120% of the available funding, each request would be reduced by 16.7%. The provider that requests \$4.00 per day would receive \$3.33 per day. The provider that requests \$2.00 per day would receive \$1.67.

Secondary Group of Applications

The secondary group of applications are only used if step one of the primary applications is used. In that situation, all the applications in step one are opened, and there are still available funds for additional applications. The selection process for the secondary group is based on a first-come, first-served basis. The applications will be time and date stamped to determine the order in which providers receive funding.

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Once the applications from the secondary group reach the available funding, the process stops. Applications received after the last application is selected that expends the available funding will not receive funding. If step two is used with the primary group of applicants, none of the secondary group will receive funding.

Timeline for Implementing the Wage Pass-Through:

The following is the timeline:

Thursday, June 24, 1999: Notice is published in Kansas Register and public comment period begins.

Monday, July 26, 1999: End of the comment period for the proposed methodology, rate and justifications.

Thursday, July 29, 1999: Notice of final methodology, rate and justification is submitted to Secretary of State for publication in the Kansas Register.

Friday, July 30, 1999: Application packets and State Plan provision are mailed out to all nursing facilities.

Thursday, August 5, 1999: Notice of final methodology, rate and justification is published in Kansas Register.

Friday, August 13, 1999: Initial applications for primary group must be received by deadline of 5:00PM.

Friday, August 20, 1999: After reviewing applications, KDOA sends out rate notifications to providers.

Wednesday, September 1, 1999: Wage pass-through rates take effect (provided a facility has adjusted its private pay rate, if necessary).

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Wage Pass-Through Effective Dates:

The earliest that a provider can receive the wage pass-through per diem will be for dates of service beginning with September 1, 1999. If a provider chooses to implement the wage pass-through program after September 1, 1999, payment will not begin until the effective date of the implementation. If the effective date is on or before the 15th of the month, the payment increase will begin on the first of that month. If the effective date is on or after the 16th of the month, the payment increase will begin on the first of the following month.

Application:

The following information will be requested on the application form:

- Facility name, address, telephone number and Medicaid provider number
- Effective date for implementing the wage pass-through program
- The number of Medicaid residents at the time of the application
- Amount of per diem funding requested for the pass-through (not to exceed \$4 per resident day).
- Current Medicaid rate and private pay rate
- Enhanced Medicaid rate and private pay rate on the date of implementation
- Authorized signature and date.

The application will explain the allowable and non-allowable uses of the wage pass-through per diem. It will list the employee positions that are eligible for the pass-through. There will be a notice that this program is funded for FY 2000 only and that

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there may not be funding in FY 2001. The requirement of the quarterly reporting and consequences of not reporting will be explained below.

Reporting and Documentation:

Providers shall be required to submit cost information within 45 days after the end of each quarter to document the use of the wage pass-through moneys. A nursing facility participating in the quality enhancement wage pass-through program which fails to file the Quality Enhancement Wage Pass-Through Quarterly Audit Report(s) and supporting documentation shall be terminated from the Quality Enhancement Wage Pass-Through Program and must repay all amounts from the pass-through program received during the reporting period.

Quality Enhancement Wage Pass-Through Quarterly Audit Reports and instructions will be sent to the providers in hard copy form and on diskette. The diskette will have LOTUS and Excel versions of the reports and related instructions. The forms and instructions are part of the Medicaid State Plan exhibit.

The supporting documentation that must accompany the quarterly audit reports shall include: (1) The provider payroll registers that reflect the positions impacted by the quality enhancement wage pass-through program, (2) the State Unemployment Tax (SUTA) report, and (3) the Quality Enhancement Wage Pass-Through Quarterly Employee Turnover Report. The employee turnover report will be sent to providers in hard copy and on the diskette. The diskette will include both the LOTUS and Excel versions of the turnover report.

If the providers elect to use the wage pass-through to increase employee wages, they shall submit a copy of the payroll registers for the period just prior to implementation of the wage pass-through program. This will be in addition to the payroll register for the quarter for which they are reporting. This documentation should reflect the increased wages that were incurred for the pass-through.

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Optional documentation may include salary charts or matrices used prior to and after implementation of the pass-through program. These charts may aid in demonstrating wage enhancements, especially for employees hired as replacements. KDOA audit staff may request additional documentation if they deem it necessary.

Reports are required on a calendar quarter basis. The first report will be for the month of September and will be due 45 days after September 30, 1999. Subsequent reports will be due 45 days after the quarters ending December 31, 1999, March 31, 2000 and June 30, 2000. If a provider implements later than September 1, 1999, they will be required to file the report at the end of the calendar quarter in which they implemented the pass-through enhancement. For example, if a provider implements the pass-through enhancement on November 1, 1999, the first report will be for the two months ending December 31, 1999.

Allowable Reimbursement:

The following are the eligible position classifications for the Quality Enhancement Wage Pass-Through per diem:

- Nurse aides
- Medication aides
- Restorative-rehabilitation aides
- Licensed mental health technicians
- Plant operating and maintenance personnel
- Non-supervisory dietary personnel
- Laundry personnel
- Housekeeping personnel
- Non-supervisory activity staff

The following are the eligible uses for the quality enhancement wage pass-through per diem for the above position classifications:

- Increase salaries

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- Increase benefits
- Hire new staff

Senate Bill 126 specifically states: "No wage pass-through moneys shall be expended to increase management compensation or facility profits."

The documented quarterly expenditures for the wage pass-through program shall be divided by total resident days for all payer sources during the reporting period to determine the per diem cost for each resident. The Medicaid portion of the reimbursement of the total costs will be for the Medicaid resident days.

For example, a facility's total cost of the wage pass-through program for the quarter is \$30,000. There are 7,500 resident days during the quarter. Of the resident days, 50% (3,750 days) are Medicaid and 50% (3,750 days) are private pay.

The total documented cost for the quarter would be \$4.00 per day (\$30,000 divided by 7,500 days). The Medicaid portion of the cost would be \$15,000 (\$4.00 per day times 3,750 days). The private pay portion of the cost would be \$15,000, using the same calculation.

Using the same example, but with a resident mix of 40% Medicaid (3,000 days) and 60% private pay (4,500 days) the following cost sharing would take place. The Medicaid portion of the cost would be \$12,000 (\$4.00 per day times 3,000 days). The private pay portion of the cost would be \$18,000 (\$4.00 per day times 4,500 days).

The quality enhancement wage pass-through per diem will be added to the calculated Medicaid rate that would have been in effect from September 1, 1999 through June 30, 2000. The per diem wage pass-through will reimburse facilities while the enhanced costs are being incurred. The pass-through is not subject to cost center limits or the 85% minimum occupancy rule. When the actual cost for the wage enhancement is reported on a quarterly basis, it will be divided by the actual resident days to determine the allowable per diem cost. The costs incurred due to using the pass-through will be included in the Medicaid cost report base.

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Providers will be held to the lower of the calculated Medicaid rate or the private pay rate in the agency register. For example, on September 1, 1999, a provider has a calculated Medicaid rate of \$80.00 and a private pay rate in the register of \$82.00. The provider requests a wage pass-through per diem of \$4.00. The Medicaid rate the provider will receive is \$82.00 until the private pay rate increased to equal or exceed the enhanced Medicaid rate with the full pass-through request of \$84.00.

Providers who increase wages or benefits and/or hire new staff on July 1, 1999, but before September 1, 1999, in anticipation of being a successful applicant for the Quality Enhancement Wage Pass-Through will be able to use those increases to document the use of the wage enhancement when the rates are effective on September 1, 1999. However, there will not be a retroactive rate increase for those days prior to September 1, 1999, that the wage increases impact. Providers assume the risk of increasing wages or benefits and/or hiring new staff before they know the outcome of the application selection process.

For example, a provider raises wages \$1.00 per hour in the eligible position classifications on July 1, 1999, in anticipation of a Medicaid wage pass-through of \$4.00 per day, effective September 1, 1999. If the provider is a successful applicant the \$1.00 per hour wage increase can be used to document the increased costs beginning on September 1 even though it was first incurred on July 1. However, there will be no retroactive rate adjustment for the resident days in July and August 1999, prior to the effective date of the wage pass-through provision. If the provider is not a successful applicant, the quality enhancement wage pass-through program will not reimburse the wage increase.

Auditing/Settlements:

The quarterly reports shall be audited by KDOA staff to insure the wage pass-through moneys were used to increase salaries or benefits and/or to hire new staff in the eligible personnel classifications. Expenditures reported for other uses or money used to increase facility profits are not allowable and will be recouped on the final accounting. The final

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accounting will take place after the report for the quarter ended June 30, 2000 is submitted and reviewed by agency staff.

The agency will neither reduce the wage pass-through per diem nor recoup funds following the review of the quarterly audit reports. The reports will be reviewed for accuracy and records will be kept to identify moneys that were advanced, but not spent in the quarter for which the audit report covered. A final settlement will be made after the last quarterly audit report is received for the quarter ended June 30, 2000. If a provider did not use all of the Medicaid moneys advanced for the Quality Enhancement Wage Pass-Through Program on acceptable enhancements, the moneys not used for the enhancements will be recouped.

Voluntary Provider Termination/Change of Provider:

Providers may voluntarily withdraw from the Quality Enhancement Wage Pass-Through Program by notifying KDOA for NF or NF-MH. If a provider terminates, quarterly audit reports will still be required for each quarter in which the provider participated in the pass-through program. Some reports may be for a partial quarter when applicable. The agency will recoup funds that were advanced, but not documented by the provider as being used for acceptable enhancements.

If a facility receiving the wage pass-through has a change of provider, the new provider shall be responsible for notifying the agency that they want to be terminated from the program. The new provider shall be required to submit the quarterly audit reports to document the use of the funds for the intended purpose and shall be responsible for the final settlement. If the new provider decides to terminate participation, the old provider shall be responsible for any overpayment unless the 60-day notice of change of provider was not given. If the 60-day notice is not given, the new provider assumes the responsibility of any overpayment to the old provider.

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Nursing Facility Quality Enhancement Wage Pass-Through Program

Continuation of the Wage Pass-Through for State Fiscal Year 2001

The Kansas Legislature during the 1999 session, adopted Senate Bill 126 (K.S.A. 1999 Supp. 39-971), an act to establish the Nursing Facility Quality Enhancement Wage Pass-Through Program. This program provided funding for nursing facilities to increase salaries or benefits for eligible positions providing direct care or support services to nursing facility residents. It also allowed facilities to hire additional staff in the eligible position categories. KDOA and SRS published the final methodology for calculating Medicaid Per Diem Rates for the Nursing Facility Quality Enhancement Wage Pass-Through Program pursuant to Senate Bill 126, (K.S.A. 1999 Supp. 39-971) and House Bill 2489 (1999 Session Laws of Kansas, Chapter 160), in the August 5, 1999 Kansas Register. Readers should refer back to that issue for a description of the methodology.

During the 2000 legislative session, the Kansas Legislature adopted Senate Bill (SB) 248, (2000 Session Laws of Kansas, Chapter 105) creating the Kansas Intergovernmental Transfer Program. Of the funds generated from this program, 9.7 percent are to be transferred to the state Medicaid match fund- Department on Aging. House Bill (HB) 2513 (2000 Session Laws of Kansas, Chapter 183) included an appropriation of \$1,660,795 state general funds for the Department on Aging from this fund for nursing facilities (NF) quality enhancement wage pass-through pursuant to Senate Bill 126 (K.S.A. 1999 Supp. 39-971). A similar appropriation of \$39,205 state general funds was made to the Department of Social and Rehabilitation Services for nursing facilities for mental health (NF-MH).

House Bill 2513 contains the restriction that no funds be expended except upon the approval of the State Finance Council after it has received certification from the director of the budget that sufficient moneys are available. Therefore, the implementation of the quality enhancement wage pass-through program is contingent upon funding being secured for the program. The wage pass-through will be implemented retroactive to July 1, 2000, if and when, funding is secured. The following is an addition to that methodology to provide for the continuation of the wage pass-through for State Fiscal Year 2001, subject to the contingency noted above.

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Eligibility

Only those NF and NF-MHs that were active in the wage pass-through program as of June 30, 2000 will be eligible to participate in the program during FY 2001. These active participants will not be required to file a new application for the program.

Funding for Individual Facilities

Per diem funding for individual facilities for FY 2001 will be determined by two components. The first of these components will begin phase-out of the facility specific per diems that each participant received during FY 2000. The second component will be a prorated portion of any remaining pass-through funds.

The first component of the FY 2001 per diems will be based on the FY 2000 per diems and each facility's program effective date. It will be the amount of the facility's FY 2000 per diem that has not been built into their regular Medicaid rate or a prorated portion thereof if the program is not fully funded.

As an example, consider a facility that received a \$1.90 pass-through per diem during FY 2000 and that began the program on September 1, 1999. Of the \$1.90, \$0.63 would be built into the facility's regular Medicaid rate as July 1, 2000. This amount is determined by multiplying the \$1.90 by the four months that the facility received the pass-through during calendar year 1999, and then dividing this product by the 12 months of the calendar year. In effect this process averages the pass-through per diem out to a per resident day amount for calendar year 1999. Once this amount is determined, it is subtracted from the facility's FY 2000 pass-through per diem to arrive at their FY 2001 per diem. For the facility in this example, the FY 2001 per diem would be \$1.27 (\$1.90 - \$0.63). If full funding is not available a prorated portion of this amount will be awarded.

The second component of the FY 2001 per diem will be determined by prorating any additional funds that remain after the first component has been determined for each participant. This prorated amount will be based upon each facility's FY 2000 per diem.

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Reporting and Documentation

Providers will continue to be required to submit cost information within 45 days after the end of each quarter to document the use of the wage pass-through moneys. This documentation will be the Quality Enhancement Wage Pass-Through Quarterly Audit Report. Supporting documentation such as payroll registers and State Unemployment Tax reports will be required upon the request of KDOA audit staff.

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State of Kansas Department of Social and Rehabilitation Services/ Department on Aging		REV 799
Nursing Facility (NF) and NF Mental Health (NF-MH) Quality Enhancement Wage Pass-Through Funding Application Deadline: To receive Primary Status, this application must be received by KDOA before 5:00 PM Friday, August 13, 1999		
General Information		
(1) Provider Name/Facility Name		(2) 10 Digit Provider ID Number 4
(3) Street Address or Post Office Box		(4) Phone Number
(5) City	(6) State	(7) Zip Code
Funding Request Information		
(8) Effective Date:	(9) Current Number of NF or NF-MH Medicaid Residents:	
(10) Amount of Per Diem Requested(not to exceed \$4) <input type="checkbox"/> \$1 <input type="checkbox"/> \$2 <input type="checkbox"/> \$3 <input type="checkbox"/> \$4 <input type="checkbox"/> Other \$		
(11) Current Medicaid Rate	\$	(12) Enhanced Medicaid Rate \$
(13) Current Private Pay Rate	\$	(14) Enhanced Private Pay Rate \$
Reporting Options		
Please indicate the method of quarterly reporting to be used: Excel, Lotus, or hard copy:		
Enhancement Targets		
<p>This funding is intended solely for the purpose of increasing wages, increasing benefits, or adding new staff for any of the following positions: Nurse aides, medication aides, restorative-rehabilitative aides, licensed mental health technicians, plant operating and maintenance personnel, non-supervisory dietary personnel, laundry personnel, housekeeping personnel, and non-supervisory resident activity staff. No wage pass-through moneys shall be expended to increase management compensation or facility profits.</p> <p>ATTENTION: This program has only been funded by the legislature for State Fiscal Year 2000 (7/1/99 - 6/30/00). There may not be additional funding in Fiscal Year 2001. This program also requires quarterly wage audits. Facilities failing to file quarterly enhancement audit reports shall be terminated from this program and shall repay all amounts which the facility has received under the quality enhancement wage pass-through program for that reporting period.</p>		
(15) Authorized Signature		Date
SEND TO: KANSAS DEPARTMENT ON AGING Attention: Dave Halferty, Nursing Facility Rate Setting New England Building 503 S. Kansas Avenue TOPEKA, KANSAS 66603-3404 PHONE:(785) 296-8620 FAX:(785) 296-0775		(For KDOA Use Only) DATE RECEIVED ESTIMATED FISCAL IMPACT

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Nursing Facility Quality Enhancement Wage Pass-Through Program

**Instructions for Completing the Quality Enhancement Wage
Pass-Through Funding Application**

General Information

(1-7) Complete these boxes as indicated on the application form.

Funding Request Information

- (8) Date when the facility's Medicaid rate shall be increased by the per diem amount requested. September 1, 1999 is the earliest effective date.
- (9) Number of NF or NF-MH Medicaid eligible residents. This will be used to estimate the fiscal impact of this request.
- (10) Exact amount of per diem requested. Mark the appropriate box. For "other" indicate the amount in dollars and cents. This amount cannot exceed \$4.00.
- (11) Medicaid rate as of the date of this request.
- (12) Enhanced Medicaid rate to take effect on 9/1/99 or the date specified as the effective date. Current Medicaid rate plus per diem increase.
- (13) Private pay rate as of the date of this request.
- (14) Enhanced private pay rate to take effect on 9/1/99 or the effective date, or the facility's current private pay rate if no change will occur. In order to receive the full enhancement per diem requested, the enhanced private pay rate must be equal to or greater than the enhanced Medicaid rate shown in box 12. This enhanced private pay rate will be verified using the private pay registry maintained by the agency. It is the responsibility of the provider to send in private pay rate updates so that the registry can be updated.

Authorized Signature

(15) Owner or authorized agent of the facility.

Returning Application

Return this application form to the address listed at the bottom of page one. Applications received by 5:00 P.M. on Friday, August 13, 1999, will be given primary status. Applications received after this deadline will be time and date stamped and given secondary status. Provided that additional funds are available after the primary group has been processed, the secondary group will be funded on a first come, first serve basis. See the accompanying State Plan provision for more information.

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Quality Enhancement Wage Pass-Through Instructions for Completing Quarterly Audit Reports

Purpose:

The purpose of this report is to verify the additional costs of enhancements made through this pass-through program.

General Instructions:

1. Complete all forms accurately and legibly, following the instructions for each page of the report.
2. Make additional copies of pages if there are not enough lines available on one sheet.
3. Complete the provider information at the top of each sheet.
4. It is not necessary to submit reports for enhancements that the facility did not utilize (i.e. if only wage enhancements were made, then it is not necessary to complete the report pages for benefits enhancements or new staff enhancements).

Submittal Instructions:

1. Send two copies of the completed Quality Enhancement Wage Pass-Through Quarterly Report, and one copy of the supporting documentation to the following address:

Kansas Department on Aging
Attention: Dave Halferty, Nursing Facility Rate Setting
New England Building
503 S. Kansas Avenue
Topeka, Kansas 66603-3404
2. Questions concerning completion and submission of these forms should be directed to the Nursing Facility Rate Setting Division, Administrative Services Commission at (785) 296-8620.
3. The reports are due no later than 45 days after the end of each calendar year quarter. Failure to submit the reports shall result in termination from the program and the repayment of all wage enhancement pass-through moneys received during the quarter for which the report has not been submitted.

Quarter Ending Date

30-Sep-99

31-Dec-99

31-Mar-00

30-Jun-00

Report Deadline

15-Nov-99

14-Feb-00

15-May-00

14-Aug-00

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Instructions for completing Part I: Wage Enhancements

- (1) **Employee Name** The employee's name as it appears on the payroll register.
- (2) **Social Security #** The employee's social security number.
- (3) **POS.** The employee's position classification. Please use one of the following codes: Nurse aides (NA), medication aides (MA), restorative-rehabilitative aides (RA), licensed mental health technicians (LMHT), plant operating and maintenance personnel (PO), non-supervisory dietary personnel (DIET), laundry personnel (L), housekeeping personnel (HK), and non-supervisory activity staff (AS).
- (4) **Type** Indicate the type of wage enhancement given: Increased hourly rate (IR), or bonus (B).
For bonuses do not complete columns 5-8.
- (5) **Enhanced Hrly Rt** Employee's enhanced hourly rate of pay.
- (6) **Prior Hrly Rt** Employee's hourly rate of pay before enhancement.
- (7) **Enhancement** Hourly rate enhancement. Column 5-Column 6.
- (8) **Hours Worked** Hours worked at enhanced rate of pay for this quarter.
- (9) **Total Enhancement** Total enhancement amount paid to this employee for this quarter. Column 8 multiplied by column 7, or bonus paid for quarter.
- (10) **Subtotal of Enhancements** Total of all enhancement amounts listed in column 9.
- (11) **Added Benefits Costs of Wage Enhancements** Added costs of Social Security, unemployment insurance contributions, retirement benefits etc., caused by increasing the employee's wages. Use the Benefits Costs Schedule below to calculate this cost.

Benefits Costs Schedule

Subtotal of Enhancements

Amount on line (10) of report.

Employer Percentage of Benefits

Enter the employer's percentage of benefits and payroll taxes in decimal form (15% = 0.15). This includes the Social Security Tax (FICA), the unemployment insurance contributions, retirement benefits etc. It is acceptable to divide the total benefit lines by the total salary lines in the last cost report (MS2004) submitted, to determine the employer's benefits percentage.

Added Benefits Costs of Wage Enhancements

Product of Subtotal of Enhancements and Employer Percentage of Benefits

- (12) **Total Costs for Part I: Wage Enhancements** Sum of Line 10 and Line 11. The total costs of wage enhancements and added benefits costs caused by these enhancements.

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KANSAS MEDICAID STATE PLAN

Attachment 4.19 D

Part I

Subpart G

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Method and Standards for Establishing Payment Rates: Nursing Facilities Nursing Facility Quality Enhancement Wage Pass-Through Program

Instructions for completing Part II: Benefits Enhancements

- | | |
|--|--|
| (1) Employee Name | The employee's name as it appears on the payroll register. |
| (2) Social Security # | The employee's social security number. |
| (3) POS. | The employee's position classification. Please use one of the following codes: Nurse aides (NA), medication aides (MA), restorative-rehabilitative aides (RA), licensed mental health technicians (LMHT), plant operating and maintenance personnel (PO), non-supervisory dietary personnel (DIET), laundry personnel (L), housekeeping personnel (HK), and non-supervisory activity staff (AS). |
| (4) Type | Indicate the type of benefits enhancement given: Increased monthly benefits contribution (IC), or new benefits (NB). |
| (5) Enhanced Benefits | Employer's monthly cost of employee's enhanced benefits. |
| (6) Prior Benefits | Employer's monthly cost of employee's benefits before enhancement. |
| (7) Total Enhancement | Employer's total cost for enhancing this employee's benefits for this quarter. Difference between column 5 and column 6 multiplied by the number of months the increased benefit was paid this quarter. |
| (8) Total Costs for Part II: Benefits Enhancements | Total of all enhancement amounts listed in column 7. |

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